

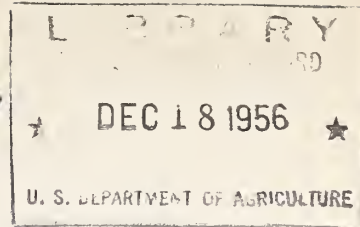
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Foreign

CROPS AND MARKETS



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CONTENTS

	PAGE
COTTON	
U. S. Cotton Exports Continue High in October	29
India Announces Cotton Export Quotas for 1956-57	29
Israel's Cotton Crop Reduced by Spiny Bollworm	29
Egypt's Cotton Production Down from First Official Estimate	30
India Authorizes Imports of U. S. Cotton	30
Peru Increases Production of Extra Long Staple Cotton	31
Reduction in Greece's 1956-57 Cotton Crop	33
DAIRY AND POULTRY PRODUCTS	
U. K. Condensed Milk Exports Running Below 1955	24
Bermudo Moy Tolk More Dairy Imports	25
U. K. Alters Milk Prices	25
World Butter and Cheese Prices	26
Panama Milk Production Shows Slight Gain	27
Sweden to Study Production and Marketing of Dairy Products	27
Indian Dairy Imports Increase	28
New Milk Plant Nears Completion in Guatemala	28
FATS, OILSEEDS AND OILS	
Communist China Suspends Exports of Soybeans	24
Indonesia's Exports of Copra Down from 1955; Exports of Palm Kernels and Palm Oil Up	24
Mediterranean Basin Olive Oil Production in 1956-57 Forecast at Nearly 1.1 Million Tons	36
FRUITS, VEGETABLES AND NUTS	
Northern Hemisphere Dry Edible Bean Production Lower	17
Mexican Tomatoes Damaged by Heavy Rains	23
Bahamas Liberalizes Quarantine Regulations for Florida Vegetables	23
Chilean Dried Peach Production Off	33
Globe Cherry Processing Affected by French Fuel Shortage	33
South African Grape Exports Estimated Same as Last Year	33
1956 Chilean Prune Crop Smaller	34
1956 Foreign Dried Fig Crop Larger	35

(Continued on following page)

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CONTENTS

(Continued from Cover Page)

Page

GRAINS, GRAIN PRODUCTS, SEEDS AND FEEDS

U.S. 1956-57 Feed Grain Exports Expected to be Lower Than Year Ago.....	3
Canada's July-November Wheat and Flour Exports Reach 138 Million Bushels.....	3
U.S. Increases Imports of Broken Rice.....	19
Canada Increases Rice Imports from Different Sources.....	22

LIVESTOCK AND MEAT PRODUCTS

West Germany's Meat Imports to Rise.....	11
Venezuela Removes Import Restrictions on U.S. Pork Products.....	12
Higher Wool Prices in Australia.....	13
Blue Tongue Disease in Spain Declines.....	14
Peruvian Lard Imports at Record Level While U.S. Imports Continue to Decline.....	14
Wool Carding Plant Licensed in India.....	14
Australia Exports Meat Protected by Ultraviolet Rays to United Kingdom.....	15
U.S. Exports Brahman to Southwest Africa.....	16
New Zealand Wool Prices Rise.....	16
Australia Continues Beef Export Subsidy.....	17

TOBACCO

Record Rhodesian Tobacco Sales - Prices Down.....	6
Colombia Bans Imports of Cigarettes and Cigars.....	6
Cuba Producing Cigarette Leaf Tobacco.....	6
El Salvador Expanding Burley Production.....	6
Greek 1956 Tobacco Crop of Unusually High Quality.....	7
Thailand Expects Larger 1956-57 Flue-Cured Crop.....	7
Honduras Expanding Both Flue-Cured and Burley Production.....	11

TROPICAL PRODUCTS

Cocoa Beans World Production Estimate Above 1955-56.....	8
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LATE NEWS

Philippine copra exports in November totaled 92,590 long tons. By destination and quantity, they were as follows: United States- 22,276 tons (Pacific Coast-19,826, Atlantic Coast - 2,450); Canada - 2,214; Belgium - 1,000; Denmark - 1,000; Germany - 3,500; Italy - 500; Netherlands-34,474; Sweden - 5,076; Europe unspecified - 14,000; Colombia - 4,300; Venezuela - 4,250. Coconut oil exports totaled 7,769 long tons. Shipments were as follows: United States (Atlantic Coast) 5,920 tons and Europe unspecified 1,849.

U.S. 1956-57 FEED GRAIN EXPORTS
EXPECTED TO BE LOWER THAN YEAR AGO

While United States feed grain exports in 1956-57 are expected to continue at a comparatively high level, they are likely to be 20 to 25 percent under last year's all-time record of 7.5 million long tons. The reduction is expected because of an anticipated decline in European demand. This is the major export market for United States feed grains, as a result of heavy supplies of non-millable wheat in 1956, increased European plantings of feed grains to replace winter-killed wheat, and an unprecedented exportable surplus of barley in France. The demand for ocean cargo space for meeting the increased wheat requirements in Europe and the world-wide shipping situation may also affect U.S. feed grain exports this season.

In addition, competition for export outlets is especially keen this year because of unusually heavy export availabilities of barley and oats in Canada, indications of increased export availabilities of barley in the Middle East, and prospects for larger exportable supplies of corn in Argentina and the Union of South Africa. Moreover, the combined exportable supplies of oats and barley in Argentina and Australia is not expected to show any significant reduction. On the other hand, the Middle East surplus may be kept out of the market until the Suez situation clears up.

Even if United States feed grain exports in 1956-57 are reduced by 20 to 25 percent compared with the record 1955-56 level, they would still be higher than in any of the preceding 5 years. In 1957-58 U.S. feed grain exporters will probably not have to contend with the unusual factors which resulted in a reduction in European import requirements this year. While there will be keen competition in filling the growing demand for feed grains in world markets, especially if Argentine corn export availabilities get back to normal levels, the United States should be able to export from 4.5 to 5.0 million tons a year if prices are competitive. (See table on page 4.)

CANADA'S JULY-NOVEMBER WHEAT AND
FLOUR EXPORTS REACH 138 MILLION BUSHELS

Canadian wheat and flour exports during the 5-month period ending November 30, 1956 are estimated at 138 million bushels compared with 98.4 million bushels during the corresponding period a year ago. The 1956 total includes official returns for July-September and estimates based largely on clearances for export for October and November.

The principal destinations of Canada's combined wheat and flour exports during the 4-month period ending October 31, 1956 were the United Kingdom, Germany, Japan, Iron Curtain Countries (U.S.S.R., Czechoslovakia and Poland), Belgium-Luxembourg and the Netherlands. No information is available as yet on destinations of November exports. (See table on page 5.)

United States Exports of Coarse Grains by Destinations During Stated Periods
(Years beginning July 1)

Destination	Average		1949-50		1950-51		1951-52	
	1945-49							
	Total	Share	Total	Share	Total	Share	Total	Share
	1,000		1,000		1,000		1,000	
	long	Per-	long	Per-	long	Per-	long	Per-
	tons	cent	tons	cent	tons	cent	tons	cent
Western Hemisphere	311	9.9	742	17.4	915	15.5	554	11.9
Europe	1,903	60.6	2,976	69.6	3,422	58.0	2,928	63.0
Asia and Oceania..	630	20.1	480	11.2	1,506	25.5	1,126	24.2
Africa	115	3.7	75	1.8	54	1.0	38	.9
Others	<u>1/</u> 180	5.7	-	-	-	-	-	-
Grand total ...	3,139	100.0	4,273	100.0	5,897	100.0	4,646	100.0

Continued

Destination	1952-53		1953-54		1954-55		1955-56	
	Total	Share	Total	Share	Total	Share	Total	Share
	1,000		1,000		1,000		1,000	
	long	Per-	long	Per-	long	Per-	long	Per-
	tons	cent	tons	cent	tons	cent	tons	cent
Western Hemisphere	436	10.2	880	25.6	414	10.2	474	6.3
Europe	2,640	61.6	2,006	58.4	2,902	71.3	6,192	82.4
Asia and Oceania..	946	22.1	533	15.5	742	18.2	814	10.8
Africa	266	6.1	14	.5	12	.3	28	.4
Others	-	-	-	-	-	-	11	.1
Grand total....	4,288	100.0	3,433	100.0	4,070	100.0	7,519	100.0

1/ Includes exports under the Army Civilian Supply Program which are not included in the official Bureau of the Census figures for the period indicated.

Canada's exports of wheat and flour during stated periods

Destination	July-September 1955			July-September 1956		
	Wheat	Flour	Total	Wheat	Flour	Total
	(Thousands of bushels, grain equivalent)					
Western Hemisphere:						
United States.....	1,308	184	1,492	884	267	1,151
Central America.....	45	590	635	-	309	309
British West Indies..	7	1,181	1,188	7	1,425	1,432
Cuba.....	227	117	344	-	108	108
Colombia.....	-	85	85	-	38	38
Venezuela.....	35	1,061	1,096	22	722	744
Ecuador.....	531	-	531	217	-	217
Peru.....	210	12	222	713	2	715
Others.....	1	341	342	18	409	427
Total.....	2,364	3,571	5,935	1,861	3,280	5,141
Europe:						
Norway.....	596	-	596	2,003	-	2,003
United Kingdom.....	25,219	2,464	27,683	26,977	3,330	30,307
Ireland.....	116	-	116	1,057	-	1,057
Netherlands.....	1,400	-	1,400	3,731	4	3,735
Belgium-Luxembourg...	3,664	-	3,664	4,071	95	4,166
West Germany.....	5,404	118	5,522	11,750	-	11,750
Czechoslovakia.....	-	-	-	4,371	-	4,371
Switzerland.....	412	-	412	2,817	-	2,817
Poland.....	364	-	364	2,599	-	2,599
U.S.S.R.....	-	-	-	4,127	-	4,127
Others.....	1,657	138	1,795	2,518	89	2,607
Total.....	38,832	2,720	41,552	66,021	3,518	69,539
Asia:						
Philippines.....	-	813	813	-	1,777	1,777
Hong Kong.....	66	173	239	119	180	299
Iraq.....	370	-	370	-	-	-
Japan.....	9,207	130	9,337	13,145	278	13,423
Others.....	33	270	303	136	254	390
Total.....	9,676	1,386	11,062	13,400	2,489	15,889
Africa:						
British West Africa..	-	331	331	-	346	346
Union of South Africa:	1,678	-	1,678	950	-	950
Belgian Congo.....	-	243	243	-	147	147
Others.....	71	39	110	29	30	59
Total.....	1,749	613	2,362	979	523	1,502
Oceania:						
Oceania.....	-	20	20	-	24	24
World total.....	52,621	8,310	60,931	82,261	9,834	92,095

RECORD RHODESIAN TOBACCO
SALES - PRICES DOWN

The Salisbury auction market for Rhodesian 1956 crop flue-cured tobacco closed on November 7. Sales totaled 171.6 million pounds, at an average of 32.96 pence (38.4 U.S. cents) per pound, compared with 126.0 million pounds at an average of 40.35 pence (47.1 U.S. cents) for 1955. The decline in price is attributed mainly to the generally lower quality of the 1956 crop.

COLOMBIA BANS IMPORTS
OF CIGARETTES AND CIGARS

The Colombian Government has placed a ban on the importation of cigarettes and cigars. Decree 2643 of November 2, 1956 places all imported cigarettes and cigars (in addition to a number of other agricultural commodities) on the Prohibited List because of the acute shortage of foreign exchange.

During the first half of 1956, 7.6 million packages of U.S. cigarettes were imported. During the calendar year 1955 Colombia imported 9.9 million packages and 24.3 million in 1954. The decline in imports of U.S. cigarettes is attributed to increased import restrictions stemming from the shortage of dollars.

CUBA PRODUCING CIGARETTE
LEAF TOBACCO

Cuba reportedly has harvested 1.7 million pounds of flue-cured and 355,000 pounds of Burley during the 1956 crop year. All of this quantity was utilized by two local cigarette manufacturers. Small quantities of Turkish tobaccos are also being produced, but the results are still considered poor, and the cultivation of Turkish tobacco will probably continue on an experimental basis. The area planted to Burley during 1957 is expected to be at least double that of 1956. The Agricultural and Industrial Development Bank of Cuba (BANFAIC) reportedly is planning to begin a program of financial assistance in the form of crop loans to Burley producers during the 1957 season.

EL SALVADOR EXPANDING
BURLEY PRODUCTION

The 1956-57 tobacco crop in El Salvador is forecast at 1,740,000 pounds as compared with the 1955-56 crop of 1,586,000 pounds. The 1956-57 acreage is about 7 percent larger than that for 1955-56. Burley production is placed at 450,000 pounds from 603 acres in contrast to the 1955-56 harvest of 150,000 pounds from 172 acres. The area planted to flue-cured (about 1,760 acres) is approximately the same as last year but heavy rains during September probably affected total output. Production of other air-cured types continued their downward trend and are being supplanted by Burley.

GREEK 1956 TOBACCO CROP OF
UNUSUALLY HIGH QUALITY

The earlier estimates of tobacco production in Greece have been revised sharply downward because of the extremely dry weather. However, quality of the 1956 crop is reported to be excellent, probably the best since World War II.

GREECE: Tobacco acreage and production, 1955-56

Year	:	Acreage	:	Production
	:	1,000	:	Million
	:	<u>acres</u>	:	<u>pounds</u>
	:		:	
1955.....	:	319.0	:	212.9
1956.....	:	292.0	:	167.6

The percentage of the 1956 crop going into the higher grades (although estimated at this date) is evidence of the excellent quality of the 1956 crop.

<u>Grade</u>	<u>1955 Crop Percent</u>	<u>1956 Crop Percent</u>
American Nos. I and II.....	45	70
European No. III.....	36	20
Kappas No. IV.....	19	10
Total.....	<u>100</u>	<u>100</u>

During the 1955-56 fiscal year, exports increased to West Germany and the United States, but decreased to countries of Eastern Europe. The average export price during fiscal year 1955-56 was equivalent to 67 U.S. cents per pound compared with 56 U.S. cents a year earlier. Part of the rise was due to the fact that the 1954 crop, exported in 1955-56, was of much better quality than that exported the previous year. The total value of Greek tobacco exports was equivalent to about U.S. \$75.0 million in 1955-56, or 21 percent above that of the previous year. The quantity exported increased only 1.6 percent.

THAILAND EXPECTS LARGER
1956-57 FLUE-CURED CROP

Preliminary estimates place the 1956-57 flue-cured crop in Thailand at 22.2 million pounds - about 38 percent larger than the 1955-56 harvest of 16.2 million, but 12.5 percent below the 1954-55 record crop of 25.5 million. Unofficial production estimates for the other types are not available as of this date.

Thailand's exports of unmanufactured tobacco during the first 8-months of 1956, totaling 5.4 million pounds, exceeded all previous calendar years. Shipments to the United Kingdom totaled about 4.7 million pounds with West Germany, Belgium, Hong Kong and the Netherlands accounting for most of the remainder.

COCOA BEANS WORLD PRODUCTION ESTIMATE ABOVE 1955-56

1956-57 PRODUCTION: World cocoa bean production for the 1956-57 season is estimated at 1,864 million pounds (832 thousand long tons). This would amount to approximately a 1.8 percent increase over the production of 1955-56. Some increases are expected for all continents. Probably the most significant increase is expected in North America, as almost complete recovery is expected from the adverse weather conditions which affected the 1955-56 crop.

In general weather has been favorable for a good crop for 1956-57. Dry weather in some parts of Africa has been a deterrent, but at the same time it has probably cut down losses from pod rot. Several countries are granting favorable exchange rates to exporters of cocoa beans. When this is passed on to the producer, it generally provides an added incentive to adopt methods to increase production. Spraying for disease control has been increasingly popular throughout the world, and the extent of such operations will have a direct effect on 1956-57 production.

North America: Production for the 1956-57 crop year will probably exceed 1955-56 by 8 million pounds or about 6 percent. This estimate is based on expected recovery from the adverse weather conditions which affected the 1955-56 crop. Cuba and Haiti should not show effects of the hurricane damage of late 1955, but Grenada is not expected to fully recover. Increases are expected for Mexico and the Dominican Republic.

Spray operations are being increased in Mexico, Panama and Costa Rica. Immediate effects will probably result and sizeable increases in production could be realized in the future. Prospects for production in North America are also enhanced by the fact that the Inter-American Institute of Agricultural Sciences at Turrialba, Costa Rica is training personnel from various countries in cacao culture. The extension work done at propagating stations by these people when they return to their home countries should prove particularly valuable.

South America: A small increase in production is expected for 1956-57 as compared to 1955-56. The 1956-57 estimate of production of 503 million pounds (224 thousand long tons) is almost identical to the production realized for the crop year 1954-55. Brazil is expected to have a little larger production, as the 1956 "Temporao" crop was somewhat above the 1955 "Temporao" crop. Small increases are also expected for Venezuela and Ecuador. There is a potential for considerable expansion of cacao production in South America. There has not yet been enough time for effects of the concerted efforts of the past few years to be felt. Plants selected for resistance to diseases and higher yields have been used for replacement stock in most of these countries. Since 1949 Ecuador has had 5 centers for such clonal propagation, so benefits should become increasingly evident there.

Africa: The present estimate for 1956-57 crop production in Africa is 1,180 million pounds (527 thousand long tons) or just slightly higher than the 1955-56 crop. This would represent about 63 percent of total world production.

All producing countries, with the exception of the Gold Coast, are expected to have as much or more than for 1955-56. A small decrease is expected for the Gold Coast due to prolonged drought in July and August. Late rains in September caused some pod setting, so there could be a late harvest in March in the Gold Coast. Nigeria also experienced dry weather during these months, but the soil was reportedly able to withstand the dry weather and, therefore, less damage is expected from pod rot.

The dry weather of July and August probably affected the production of the Ivory Coast, but an increase is expected over the 1955-56 crop. There is normally more moisture and rainfall in the Ivory Coast than the Gold Coast, so the drought did not affect the crop as much here. A 30 percent increase in production is expected for French Togoland, and in addition some Gold Coast cacao will probably move through for shipment. Small increases in production are expected for the French Cameroons and Fernando Po. Several smaller producers in Africa - notably Belgian Congo, French Equatorial Africa and Liberia have had an upward trend in production.

Asia: The 1956-57 production for Asia is estimated at 25.5 million pounds (11.4 thousand long tons). This would reflect the upward trend in production for this area, but still would account for only about 1.4 percent of total world production.

Production in Ceylon has been increasing steadily in the past few years, as has been true in the Philippines. The Philippines is an importer of cocoa beans, but is increasing production as the government has been pushing development. Although Malaya has considerable land suitable for growing cacao, their development project is off to a slow start as the country lacks farmers trained in growing cacao.

COCOA BEANS: Production in principal producing countries, averages
1935/36-1939/40, 1945/46-1949/50, annual 1954-55,
1955-56, 1956-57 ^{1/}

Continent and country	Average 1935/36- 1939/40 ^{2/}	Average 1945/46- 1949/50	1954-55	1955-56	1956-57
	pounds	pounds	pounds	pounds	pounds
NORTH AMERICA					
Costa Rica.....	14,356	11,326	^{3/} 23,500	^{3/} 22,400	^{3/} 21,000
Cuba.....	7,000	6,259	5,964	4,400	6,000
Dominican Republic.....	54,049	62,164	80,213	60,000	65,000
Grenada.....	8,536	5,703	^{4/} 3,000	1,000	2,000
Haiti.....	3,349	3,790	2,870	3,000	3,500
Jamaica.....	4,750	4,274	^{4/} 5,250	6,500	6,500
Mexico.....	2,500	13,318	26,455	22,000	24,250
Panama.....	10,418	5,931	4,072	3,500	4,000
Trinidad and Tobago.....	31,635	12,124	18,000	21,500	20,000
Other North America.....	4,059	3,032	4,000	3,000	3,500
Total ^{5/}	140,652	127,921	173,324	147,300	155,750
SOUTH AMERICA					
Bolivia.....	^{6/}	^{6/}	5,000	6,500	6,500
Brazil.....	263,980	283,870	357,145	348,100	357,000
Colombia.....	25,000	25,465	26,455	27,560	27,500
Ecuador.....	42,373	40,045	62,511	60,000	62,000
Peru.....	^{6/}	^{6/}	10,000	10,000	10,000
Venezuela.....	36,934	37,952	39,683	37,500	39,700
Total.....	368,287	387,332	500,794	489,660	502,700
AFRICA					
Belgian Congo.....	2,809	3,220	7,000	8,000	8,500
Fernando Po and Rio Muni...:	25,000	34,208	47,390	48,500	49,600
French Cameroons.....	58,350	^{7/} 90,832	128,700	123,500	130,000
French Equatorial Africa...:	1,871	^{8/}	6,956	7,500	8,800
French Togoland.....	^{2/}	^{2/}	^{2/}	12,600	16,500
Gold Coast ^{10/}	609,363	512,350	518,271	530,700	500,000
Ivory Coast.....	109,937	94,424	148,810	158,730	160,000
Liberia.....	^{2/}	^{2/}	^{2/}	1,570	1,800
Nigeria ^{11/}	216,318	222,980	222,083	254,800	280,000
Sao Thome and Principe.....	22,496	19,755	16,887	17,000	17,000
Sierra Leone.....	^{2/}	^{2/}	^{2/}	4,860	5,400
Other Africa ^{12/}	^{2/} 3,154	^{2/} 9,018	^{2/} 26,473	2,000	2,000
Total.....	1,054,298	986,787	1,122,570	1,169,760	1,179,600
ASIA AND OCEANIA					
Ceylon.....	7,931	4,866	5,600	6,500	7,000
Indonesia.....	3,310	1,198	1,100	3,100	3,000
New Guinea.....	-	-	2,400	2,500	2,500
New Hebrides.....	3,916	2,452	1,700	1,500	2,000
Philippines.....	-	-	3,000	3,300	4,000
Western Samoa.....	2,326	5,200	8,000	6,800	7,000
Total	17,483	13,716	21,800	23,700	25,500
WORLD TOTAL.....	1,580,720	1,515,755	1,818,488	1,830,420	1,863,550

^{1/} Production in Brazil is given for the 12 months May 1 to April 30, and in most other countries for the 12 months October 1 to September 30. ^{2/} Export data have been used for all countries with the exception of Mexico, Cuba and Colombia. ^{3/} Some cocoa beans produced in Costa Rica move across the border for marketing in Nicaragua. ^{4/} Approximated from unofficial information. ^{5/} Includes Dominica, El Salvador, Guatemala, Guadeloupe, Martinique, Nicaragua, St. Lucia and St. Vincent. ^{6/} Not available. ^{7/} Includes French Equatorial Africa. ^{8/} Included in French Cameroons. ^{9/} Prior to 1955-56 French Togoland, Liberia, and Sierra Leone are included in other Africa. ^{10/} Includes British Togoland. ^{11/} Includes British Cameroons. ^{12/} Includes Angola and Madagascar.

Foreign Agricultural Service. Official estimates of foreign countries, reports of Agricultural Attaches and other United States representatives abroad and other information.

HONDURAS EXPANDING BOTH FLUE-CURED AND BURLEY PRODUCTION

The 1956-57 tobacco crop in Honduras is forecast at 7.0 million pounds, assuming continued favorable weather conditions for the remainder of the growing season. If the expected 1956-57 crop materializes, it would be about one-third larger than the 1955-56 harvest of 5.3 million pounds. The area planted to tobacco has also increased from 8,133 to 9,270 acres. Flue-cured production is estimated at 500,000 pounds from 655 acres as compared with the 1955-56 harvest of 300,000 pounds from 517 acres. Burley production is placed at 75,000 pounds in contrast to 20,000 pounds last year. Production of dark air-cured types is expected to be about 30 percent larger than the preceding crop.

The flue-cured crop in Honduras is controlled by the Tabacalera Hondurena, which provides technical assistance and credit to the producers. The other types of tobacco are grown by small independent growers. Prices received by growers in San Pedro Sula for the 8 grades of flue-cured range from .45 to 1.35 lempiras (22.5 to 67.5 U.S. cents) per pound, averaging about 45 U.S. cents per pound. For the air-cured types, prices range from .40 to .65 lempiras (20 to 32.5 U.S. cents) per pound.

WEST GERMANY'S MEAT IMPORTS TO RISE

The Federal Republic of Germany may have to import the equivalent of 660 million pounds of meat (as meat or live animals) during the fiscal year 1956-57, an increase of around 250 million over the same period in 1955-56. The increase will consist mainly of hogs and pork to offset an expected decline in domestic hog slaughter in early 1957.

As a result of a rising standard of living with a consequent shift toward a high protein diet, the annual consumption of meat has risen from 79 pounds in 1950 to 104 in 1955 and is expected to reach 108 during 1956-57. Average consumption in prewar (1934-38) was 113 pounds.

West Germany's imports of meat and slaughter animals consist mainly of hogs and pork from Denmark, Netherlands, Hungary, Poland, Czechoslovakia, and live cattle and beef from Denmark, Netherlands, France, Hungary, Ireland, and Yugoslavia. Due to political unrest in Eastern Europe, the usual imports of slaughter hogs from that area should drop sharply. Although Denmark has unusually high hog numbers at present and can therefore meet the increased demand to some extent, West Germany may be forced to seek new suppliers outside its traditional sources.

West Germany is a very large importer of variety meats, fatback, and lard from the United States. During the first nine months of 1956 the United States exported about 20 million pounds of variety meats, 47 million pounds of lard and 8 million pounds of fatback to the Federal Republic of Germany.

VENEZUELA REMOVES IMPORT RESTRICTIONS ON U. S. PORK PRODUCTS

Venezuela has ended its quarantine against uncooked pork products from the United States. This will make it possible for United States firms to sell cured hams and other pork products to that market. Venezuelan importers must obtain "health import permits" from the Ministry of Agriculture in order to bring in cured hams and all other kinds of uncanned meats. 1/

Venezuelan regulations on imports of pork products became increasingly stringent in 1952 and 1953 and this resulted in a sharp drop in shipments of hams and bacon from the United States.

The United States shipped 3.5 million pounds of pork products to Venezuela in 1952, including 1.5 million pounds of hams and bacon. During 1955 exports of all kinds of pork products to Venezuela totaled 2.2 million pounds of which only 377,000 pounds were hams and bacon. Venezuela's imports of bacon from all countries in 1955 were reported at 865,000 pounds. Imports of hams were 6,600,000 pounds.

Ham is a traditional Christmas feast item in Venezuela and United States exporters will be able to move in some supplies for this seasonal market. However, exports from the United States must still compete with output from Denmark and Poland which have been on the market in large quantities. Some locally produced pork is processed into ham, bacon and cured sausages but these products are of lower quality. Pork prices are relatively high, making the Venezuelan market attractive to exporters. It is believed that hog numbers in Venezuela are about 2 million head. Venezuela has a population of about 6 million people.

United States Exports of Meat Products to Venezuela, 1952-55

Item	1952	1953	1954	1955
	1,000	1,000	1,000	1,000
	lbs.	lbs.	lbs.	lbs.
Beef and veal.....	388	646	564	393
Pork.....	3,482	1,770	1,774	2,160
Lamb and mutton.....	2	4	9	5
Sausage, incl, canned.....	1,793	1,211	1,027	885
Baby food (meat).....	21	34	41	50
Other canned meats.....	150	139	128	159
Fresh or frozen variety meats.....	13	6	8	28
Total.....	6,049	3,810	3,551	3,680

1/ A Summary of the new quarantine regulations is available in Foreign Agriculture Circular FLM 15-56.

HIGHER WOOL PRICES IN AUSTRALIA

Wool auctions were held at Sydney, Melbourne, Newcastle and Perth during the week ending November 24. Approximately 143,000 bales were sold under strong competition from the Continent, United Kingdom and Japan.

All types of wool were in keen demand and prices continued the upward trend of recent weeks. Wool prices in general were from 2-4 per cent above the previous week.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification.

(Current prices with comparisons)

Type and Grade	Week Ended		
	11-16-56	11-23-56	Year Ago 11-25-55
	- - - U.S. DOLLARS PER POUND - - -		
<u>Combing Wools</u>			
70's Good.....	1.64	1.67	1.28
Average.....	1.55	1.58	1.19
64's Good.....	1.45	1.47	1.33
Average.....	1.40	1.42	1.07
60's Good.....	1.29	1.32	.98
Average.....	1.24	1.26	.95
58's Good.....	1.14	1.18	.91
Average.....	1.11	1.13	.89
56's Good.....	1.00	1.04	.84
Average.....	.98	1.01	.82
50's Good.....	.90	.91	.77
Average.....	.88	.90	.76
<u>Carding Wools</u>			
Merino.....	.83	.87	.72
Comeback	.75	.77	.65
Fine Crossbred..	.68	.71	.63
Medium Crossbred	.66	.68	.62

Source: Wool Statistical Service Australian Wool Bureau.

BLUE TONGUE DISEASE IN SPAIN DECLINES

Recent cool weather, has halted further outbreaks in Spain of "blue tongue" or catarrhal fever in sheep by killing or inactivating the insect carriers. The government has been fighting the serious outbreak of last summer with slaughter, quarantine, and vaccination. The vaccination program is continuing through the winter, and Spanish officials plan to have all sheep in the country vaccinated by March 1957. It is estimated that about 200,000 sheep have been infected during the present outbreak with large direct and indirect losses. (See Foreign Crops and Markets, October 22, 1956).

Blue tongue is a new disease to the United States. The first known cases were reported in Texas in 1948 under the name of "sore muzzle". The spread of the disease is dependent upon *Culicoides*, a small insect known locally as sandflies, midges, punkies, and non-see-ums. Because of these insect carriers, the disease is highly seasonal, being reduced when cold weather renders the carriers inactive. Primarily a disease of sheep, blue tongue has also been reported in other ruminants, especially cattle. There are no known cases of humans becoming infected.

PERUVIAN LARD IMPORTS AT RECORD LEVEL WHILE U.S. IMPORTS CONTINUE TO DECLINE

Peru will import an estimated record of at least 13,000 metric tons of lard in 1956 to supplement a declining domestic production of about 4,000 tons. The drop in production is attributed mainly to decreasing hog numbers resulting from the severe drought in the Southern Andean area which started over a year ago.

The United States is currently being priced almost out of the Peruvian lard market by Argentina and Holland. Over 85 percent of the average annual lard imports in the 1950-54 period originated in the United States. In 1955 the U.S. share dropped to 37 percent, and during the January - December period of this year it was only 33 percent. Argentina is now the leading exporter to this market with c.i.f. prices ranging down to \$2.10 per 100 pounds under U.S. prices. The latest available quotation for lard exported from Holland was \$1.40 under the U.S. price.

WOOL CARDING PLANT LICENSED IN INDIA

The first large-scale wool carding plant in India has been licensed and will be established at Porbandar (Bombay State). This may cause a decline in raw wool exports from India.

AUSTRALIA EXPORTS MEAT PROTECTED BY ULTRAVIOLET RAYS TO UNITED KINGDOM

The first experimental shipment of 30 tons of chilled Australian beef protected from decay by ultraviolet rays has arrived in England. Considerable interest is shown in the new method which, if found to be satisfactory, may revolutionize the Australian beef trade.

Basically, the process is one whereby the chilled beef is protected from bacterial decay during the long voyage by lamps which flood the cold storage lockers with ultraviolet rays. This method of preventing the growth of bacteria is considerably cheaper than the present use of carbon dioxide which requires special airtight lockers with which few ships on the Australian run are equipped. Any ships having cool lockers, however, can be cheaply and quickly fitted with the lamps.

To compete in quality with Argentine chilled beef, which makes the 15-day voyage in excellent shape, Australians must have some method of preventing bacterial action during the longer run of 30 days to the United Kingdom markets. The high cost of gas storage preservation has discouraged Australia from entering the chilled beef trade. Nevertheless, chilled beef exports from Australia during May-August this year were 551 percent above those of last year.

Australia has a considerable disadvantage in shipping time to the United Kingdom, which under the 15-year Meat Agreement takes most of Australia's meat. This is due, not so much to the distance, which is about the same as that from New Zealand, but to other shipping difficulties. Much Australian beef is exported from Queensland which suffers from a lack of deep water ports. Ships are partially loaded in Queensland before proceeding to Southern Australian ports to pick up their full cargo. This adds 10 to 15 days to the length of the voyage.

Most of Australia's exports are via the Suez Canal which is blocked at present. Until the canal is opened, exports must move around the Cape of Good Hope or through the Panama Canal. In either case, this means added expense and time.

In view of the competition of Argentina and New Zealand in the chilled beef trade, some Australians believe they should direct themselves to improvement in the quality of their frozen beef exports and concentrate on the frozen beef market. Frozen beef has a steady demand from institutions, military, schools, and other large customers.

A new departure in meat marketing is the development in a small way of a pre-cut frozen beef industry in Western Australia. The beef is slaughtered near the producing areas and air-shipped to packing plants on the coast where it is cut into retail pieces and quick frozen. The saving in time is considerable and the method eliminates much waste in overseas shipments. So far the package sizes used, average about 2 pounds each, are slightly larger than those desired by the average British consumer. Otherwise, the prepackaged frozen meat has been well received in the United Kingdom and considerable interest is evidenced in Australia for expansion of this trade.

UNITED STATES' EXPORTS BRAHMANS TO SOUTHWEST AFRICA

Several cattlemen in southwest Africa have purchased 33 head of Brahman cattle in the United States for developing heat resistant animals for the desert areas of their country. The selection of the animals was made by their representative, who spent a year on a cattle ranch in the American southwest to observe methods of management and breeding.

NEW ZEALAND WOOL PRICES RISE

Wool prices continued upward at the auctions at Napier on November 14th and 16th and at Wanganui on the 21st. Approximately 42,000 bales were offered at Napier and 26,000 at Wanganui.

The offering at Napier was well grown, good yielding, but a little off in color - reflecting the wet pre-shearing conditions. Demand was widespread with the Continent being the predominant buyer. U.S. demand was especially strong on extra fine crossbreds and paper felt types.

The offering at Wanganui was comprised of fairly good topmaking fleeces. Prices at Wanganui were 4-5 cents per pound higher than the season's opening at Dunedin a month earlier. The market was very strong at both auctions.

Prices for selected descriptions in cents per pound, greasy basis, are shown below:

Description	Type	Grade	Dunedin 10/24/56	Napier 11/16/56	Wanganui 11/21/56
Extra Fine Crossbred.....	93B	50/56's	64	66	68
Fine Crossbred.....	100B	50's	62	65	67
Medium Crossbred.....	114B	46/50's	62	64	66
Strong Crossbred.....	128B	46/48's	61	64	66

Source: New Zealand Wool Commission

AUSTRALIA CONTINUES BEEF EXPORT SUBSIDY

The Australian Ministry for Primary Industry has announced a subsidy of 1.5 d. or \$.014 per pound of beef delivered for export to the United Kingdom during the month of December. The funds for this subsidy are to be drawn from payments made by the United Kingdom to Australia under the 15-year meat agreement.

NORTHERN HEMISPHERE DRY EDIBLE BEAN PRODUCTION LOWER

Production of dry edible beans in northern hemisphere countries is estimated to be 48 million bags (100 pounds), which is about 10 percent below the 1955 crop of 53 million bags. The greatest reduction occurred in the Asian countries, particularly Japan and Turkey. The Japanese crop was reduced because of a smaller acreage and unfavorable weather late in the growing season in Hokkaido, the principal producing area. The Turkish crop was reduced because of unusually dry weather and the official report may show a further reduction in the crop.

The crop in Yugoslavia is almost 40 percent below that of last year.

The U. S. bean crop is about the same as last year. However, there is an increase in the white classes of beans, with the greatest increase in Michigan pea beans. This increase in white beans was largely offset by a reduction in most classes of colored beans.

The trade prospects for beans during the current marketing season are good. The Japanese government is preparing to authorize the purchase of at least 650,000 bags of any type of dry edible beans in world markets during the period October 1956 through March 1957. Additional quantities may be purchased during the balance of the marketing period. Japan normally purchases edible beans from Asian countries. They have a barter arrangement with Communist China, but the Chinese exportable surplus is believed to be less than 100,000 bags. Turkey is normally an exporter of beans, but trade sources indicate that they will be on an import basis this year. Yugoslavia and Hungary normally export beans to west European countries but due to the smaller supply and shipping conditions it is unlikely that they will be a factor in the market this season. Shipments from east Africa may be curtailed this year, because of a probable lower production and difficulties in shipping to west European markets.

BEANS, DRY EDIBLE: Acreage and production in specified countries, averages 1935-39 and 1945-49, annual 1955 and 1956 1/

Continent and country	A C R E A G E					P R O D U C T I O N				
	Average					Average				
	1935-39	1945-49	1955	1956	2/	1935-39	1945-49	1955	1956	2/
	- - - 1,000 acres - - -					- - - 1,000 bags - - -				
<u>North America</u>										
Canada.....	68	3/ 94	81		73	770	3/ 926	770		726
El Salvador.....	52	63	85		85	428	489	615		583
Guatemala.....	89	143	122		128	586	870	483		504
Mexico.....	1,419	1,915	2,471	2,471	2,579	4,144	8,796		8,598	
Nicaragua.....	20	38	125		130	100	209	783		862
United States..	1,698	1,718	1,539	4/ 1,456	14,530	17,647	16,940	4/ 16,977		
Cuba.....	125	136	94		104	950	902	617		661
Dominican Rep..	80	71	*80	*80	454	376	497		474	
Total.....	3,551	4,178	4,597	4,527	20,397	25,563	29,501		29,385	
<u>Europe</u>										
Belgium and Luxembourg.....	8	2	1		1	168	32	30		24
France.....	424	367	329	-	3,069	1,479	2,496		2,712	
Germany, Wn. 5/	5	12	4		4	73	125	75		71
Greece.....	63	100	166		170	369	508	994		1,107
Italy.....	1,228	1,242	1,061	1,161	3,478	2,410	3,168		2,866	
Netherlands.....	18	12	13		11	307	181	247		*180
Portugal.....	415	838	883	-	856	849	759		*850	
Spain.....	639	606	228	259	3,705	1,702	2,033		2,315	
Yugoslavia.....	360	417	505	-	2,804	3,482	5,004		3,307	
Total.....	3,160	3,596	3,189	-	14,829	10,768	14,806		13,432	
<u>Asia</u>										
Lebanon..... 6/		7	-	-	6/		142	106		106
Syria..... 7/	1	2	-	-	7/	8	21	-		-
Turkey.....	185	227	258	-	1,390	1,584	2,414		*1,500	
Japan.....	472	167	570	555	4,093	1,239	6,387		3,627	
Total.....	658	403	-	-	5,491	2,986	8,907		5,233	
Total above..	7,369	8,177	-	-	40,717	39,317	53,214		48,050	

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BEANS, DRY EDIBLE: Acreage and production in specified countries, averages 1935-39 and 1945-49, annual 1955 and 1956 1/

Continent and country	A C R E A G E					P R O D U C T I O N				
	Average					Average				
	1935-39	1945-49	1955	1956	<u>2/</u>	1935-39	1945-49	1955	1956	<u>2/</u>
	- - - 1,000 acres - - -					- - - 1,000 bags - - -				
South America										
Argentina.....	56:	90:	52:	-	:	410:	805:	487:	-	
Brazil <u>8/</u>	2,354:	3,949:	5,507:	5,426:	:	18,155:	24,313:	32,518:	32,295	
Chile.....	214:	196:	195:	-	:	1,744:	1,528:	1,872:	-	
Columbia.....	179:	246:	-	-	:	729:	1,089:	-	-	
Total.....	2,803:	4,481:	-	-	:	21,038:	27,735:	-	-	
Total specified countries.....	10,172:	12,658:	-	-	:	61,755:	67,052:	-	-	

* Office estimate.

1/ Years refer to year of harvest in the Northern Hemisphere and include the harvest immediately following in the Southern Hemisphere.

2/ Preliminary.

3/ Subject to adjustment by the Canadian government in line with the 1950 census.

4/ Includes garbanzos which will be separately estimated in the December 17, 1956, crop report.

5/ Classified as East and West Germany January 1, 1952.

6/ Included with Syria.

7/ Includes Lebanon.

8/ Calendar year production.

U. S. INCREASES IMPORTS OF BROKEN RICE

Imports of broken rice into the United States from January through September were sharply above those in the corresponding months of 1955 and the largest in 2 years. The principal countries of origin were Canada, Belgium-Luxembourg, and Western Germany.

Total imports of rice into the U. S. during calendar year 1955 were negligible. No rice was imported in January and February 1956. Relatively small quantities of broken rice were imported in March from Western Germany and Canada. From April through September, however, imports of broken rice from Canada and Belgium-Luxembourg were at an increased rate.

RICE: United States imports by classification
and by country, January-September 1956,
with comparisons

Type	1952	1953	1954	1955	January-September	
					1955	1956
- - - -1,000 pounds - - - -						
<u>Uncleaned or brown</u>						
Italy.....	0	0	22	0	0	0
Philippine Republic	0	3	0	0	0	7
Total.....	0	3	22	0	0	7
<u>Cleaned or milled</u>						
Iran.....	5	3	1/	10	10	0
Italy.....	0	27	81	93	83	87
Japan.....	0	80	0	0	0	0
Canada.....	0	0	0	1	1	0
Thailand.....	0	0	0	200	200	18
Total.....	5	110	81	304	294	105
<u>Broken</u>						
Burma.....	0	0	0	0	0	101
Belgium-Lux.....	3,426	0	3,486	0	0	7,240
Canada.....	6,865	1,298	2,856	0	0	9,729
Cuba.....	597	1,381	924	0	0	0
Western Germany.....	0	0	888	0	0	2,729
France.....	0	0	0	0	0	225
Japan.....	0	0	0	0	0	112
Netherlands.....	9,368	19,194	20,167	0	0	1,107
Thailand.....	0	0	0	105	105	0
Total.....	20,256	21,873	28,321	105	105	21,243
Total all rice.....	20,261	21,986	28,424	409	399	21,355

1/ Less than 500 pounds.

Source: Bureau of the Census.

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BROKEN RICE: United States imports by country of origin,
January-September, 1956

Country of origin	January- March	April- June	July	August	September	January- September
			- - - -1,000 - - - -			
Belgium-Luxembourg...	0	3,717	1,545	1,134	844	7,240
Canada.....	100	3,311	1,606	2,910	1,802	9,729
Western Germany.....	202	1,145	514	488	380	2,729
Netherlands.....	0	658	229	220	0	1,107
Other countries.....	0	101	0	337	0	438
Total.....	302	8,932	3,894	5,089	3,026	21,243

Source: Bureau of the Census.

The following export data are given for a comparison of the amount imported with the quantity exported by the U. S. to Canada and Belgium-Luxembourg:

From January through September, rice exports to Canada totaled 17,491,000, of which 1,193,000 pounds were rough rice in terms of milled (1,835,000 pounds of rough rice); 15,011,000 pounds (86 percent of total rice imports in the period) were milled rice, containing more than 25 percent broken rice; and 1,287,000 pounds were milled rice, containing more than 25 percent whole kernels. (See story page 22)

The U. S. exported to Belgium-Luxembourg in the first 9 months, 41,133,000 pounds of rice, classified as follows: rough rice in terms of milled, 1,470,000 pounds (2,262,000 pounds of rough rice); milled rice, containing more than 25 percent whole rice, 14,639,000 pounds; and milled rice, containing not more than 25 percent whole rice, 25,024,000 pounds. Milled rice exports to West Germany in the January-September period totaled 2,615,000 pounds.

CANADA INCREASES RICE IMPORTS FROM DIFFERENT SOURCES

Total rice imports into Canada from January through July amounted to 50,800,000 pounds, a 17-percent increase over imports in the like period of 1955. Rice was imported from ten countries in the Western Hemisphere, Europe, Africa, Asia and Oceania. Nearly all imports of rice into Canada during the war and postwar years until 1954 came from the United States.

CANADA: Rice imports, by country of origin, January-July 1956, with comparisons

Country of origin	<u>Average:</u>	1953	1954	1955	<u>January-July</u>	
	<u>1946-50:</u>				<u>1955</u>	<u>1956</u>
	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :
	: <u>pounds:</u>	: <u>pounds:</u>	: <u>pounds:</u>	: <u>pounds:</u>	: <u>pounds:</u>	: <u>pounds:</u>
<u>Imports</u>	:	:	:	:	:	:
<u>Uncleaned 1/</u>	:	:	:	:	:	:
United States ...	56,118:	57,398:	64,097:	37,383:	16,298:	9,063
Italy	0:	0:	0:	9,700:	5,511:	1,654
Egypt	1,982:	0:	2,190:	2,921:	2,921:	55
Argentina	0:	0:	0:	4,005:	0:	3,304
Surinam	0:	0:	0:	0:	0:	1,381
Thailand	2,622:	0:	0:	1,321:	0:	2,218
India	0:	0:	0:	0:	0:	2,060
Other countries :	1,765:	4,188:	156:	2,890:	435:	660
Total	62,487:	61,586:	66,443:	58,220:	25,165:	20,395
<u>Cleaned</u>	:	:	:	:	:	:
United States ...	2,130:	19,138:	21,287:	29,748:	16,711:	11,932
Netherlands	0:	1,175:	366:	1,017:	451:	128
Peru	2/ :	0:	3,086:	0:	0:	0
Argentina	0:	0:	2,094:	878:	0:	5,521
Uruguay	0:	0:	0:	0:	0:	4,842
Surinam	0:	0:	0:	0:	0:	176
Australia	0:	0:	1,123:	564:	564:	5,746
India	0:	0:	0:	0:	0:	1,951
Other countries :	0:	1,551:	1,743:	904:	666:	143
Total	2,130:	21,864:	29,699:	33,111:	18,392:	30,439

1/ Uncleaned, unhulled, paddy. 2/ Less than 500 pounds.

Source: Trade of Canada.

A large increase occurred this year in the imports of "cleaned" rice. Over 30 million pounds were imported compared with 18 million in the corresponding period of 1955. Reduced imports of this type from the United States were more than offset by important amounts from Australia, Argentina, Uruguay, and India.

"Uncleaned" rice (probably mostly brown rice) imports of 20 million pounds were 20 percent below those of January-July 1955. Those from the U. S. dropped 44 percent, and imports from Italy and Egypt also declined. Significant imports of "uncleaned" rice, however, came from Argentina, Thailand, India, and Surinam.

MEXICAN TOMATOES DAMAGED

BY HEAVY RAINS

Trade sources indicate that the winter tomatoes grown in the Mante area of Mexico were severely damaged by heavy rains in early November.

BAHAMAS LIBERALIZES QUARANTINE REGULATION FOR FLORIDA VEGETABLES

The following vegetables grown in Florida may be imported into Bahamas, when accompanied by a certificate issued by the Florida State Plant Board:

Broccoli	Dried peas & beans
Brussels sprouts	Kolhrabi
Cabbage	Lettuce
Carrots	Onions
Cauliflower	Flower bulbs (soil free)
Celery (soil free)	Leeks
Beets	Parsley
Corn	Radishes
Endive	Mushrooms
Escarole	Romaine
Chicory	Spinach
Olives	Collards
Garlic	Mustard greens
Irish potatoes	Turnips
Sweet potatoes	Cut flowers

Other fruits and vegetables originating in other States may be shipped through Florida ports when accompanied by the proper certificate.

COMMUNIST CHINA SUSPENDS EXPORTS OF SOYBEANS

Recent reports indicate that Communist China has temporarily suspended exports of soybeans to Japan. It is believed that the suspension was caused by the situation in the Middle East.

Prior to the recent improvement in the international tension surrounding the Suez situation, business circles in Japan expected that Communist China would raise its export price for soybeans to meet expected increases in the world price.

INDONESIA'S EXPORTS OF COPRA DOWN FROM 1955; EXPORTS OF PALM KERNELS AND PALM OIL UP

Officially reported exports of copra from Indonesia during the first three-quarters of 1956 totaled 165,980 long tons, reflecting a decline from the 182,815 tons exported in the corresponding period of 1955.

Exports of palm kernels during the January-September period of this year were 28,034 tons, as against 26,873 tons exported during the first 9 months of 1955. Palm oil exports rose from 74,425 tons during January-September 1955 to 92,836 tons during the comparable period of 1956.

U.K. CONDENSED MILK EXPORTS RUNNING BELOW 1955

During the first 9 months of 1956, exports of condensed milks from the United Kingdom totaled 62.9 million pounds, 14 percent below the same period last year. The largest decline took place in shipments of skimmed condensed milk, which totaled only 3.6 million pounds in the 1956 period compared with 10.6 million pounds during the first three quarters of 1955. The decline took place in most of the United Kingdom skim milk markets, but was particularly heavy in Malaya, Barbados, Hong Kong, and Malta. Exports of whole condensed milks dropped from 73.0 million pounds during January-September 1955 to 59.3 million pounds during the same period in 1956. This was due to decreased marketings in Trinidad, Malaya, and Hong Kong, which were only partially offset by increased condensed milk trade in Jamaica and Malta.

BERMUDA MAY TAKE MORE DAIRY IMPORTS

In spite of the fact that milk production has risen about 17 percent in 2 years to 8.3 million pounds annually, Bermuda may have to rely increasingly upon imports to satisfy its dairy needs. In his annual report for 1955, the Director of Agriculture points out that, while milk production is one of the most important branches of the island's agriculture, it is beginning to suffer from the land shortage. As the population and tourist trade have increased, the limited land available has been taken over for residential and park land, thus depriving the farmer of suitable grazing for his cows and cutting down the arable land for feed.

During 1955 Bermuda imported 800,000 pounds of butter and 200,000 pounds of cheese, primarily from New Zealand; 2.5 million pounds of condensed milks, of which the Netherlands supplied 93 percent; and 200,000 pounds of dried milks, most of which was shipped by Canada.

U.K. ALTERS MILK PRICES

As part of a campaign to reduce Government expenditures in the United Kingdom, it was recently announced that the retail price of milk will be increased 1 cent per quart to 15.6 cents per quart on January 1, 1957. This will result in a revised milk subsidy figure of \$58.8 million, \$12.6 million less than previous estimates. The Milk Marketing Board reports that should the 15.6-cents-per-quart increased price, which is described as seasonal, continue throughout the 1957-58 season, the subsidy may be completely removed.

The British press has been giving some publicity to the provisional reductions announced for the producers' prices during the last 4 months of the 1956-57 season. Revised production estimates are much higher than those made in March 1956, when preliminary prices were announced by the Board. Since the guaranteed price depends on the volume of milk sold off farms, the prices will be lower than those announced in March 1956. No specific producer prices were reported by the Board.

WORLD BUTTER AND CHEESE PRICES

Wholesale prices at specified markets with comparisons

(In U. S. Cents Per Pound)

Country, market and description	Butter				Cheese			
	Date 1956	Price	Quotations		Date 1956	Price	Quotations	
			Month earlier	Year earlier			Month earlier	Year earlier
United Kingdom								
(London)								
New Zealand								
Finest Grade...	Nov. 1	36.5	40.3	49.6				
New Zealand								
Finest White...					Nov. 1	36.9	36.9	32.2
Australia(Sydney)								
Choicest butter	Nov. 2	46.2	46.2	45.0				
Choicest Cheddar					Nov. 2	28.1	28.1	27.4
Irish Republic								
(Dublin)								
Creamery butter								
(bulk) 1/.....	Nov. 2	48.6	48.6	48.9				
Cheese.....					Nov. 2	30.6	30.6	30.8
Denmark								
(Copenhagen)...	Nov. 1	46.0	46.0	48.2				
France (Paris)								
Charentes								
Creamery butter	Nov. 5	84.4	84.4	90.9				
Germany(Kempton)								
Markenbutter...	Oct. 31	67.0	66.5	66.5				
United States								
92-score								
creamery(N.Y.)	Nov. 2	62.8	62.2	58.2				
Cheddar(Wisc.)					Nov. 2	35.0	36.0	33.8
Netherlands								
(Leeuwarden)								
Creamery butter								
(bulk).....	Oct. 31	49.3	49.3	55.2				
Full cream								
Gouda.....					Oct. 26	25.7	25.7	26.1
Edam 40 percent					Oct. 26	21.9	23.8	23.8
Belgium (Hasselt)	Nov. 2	82.8	78.8	80.5				
Canada(Montreal)								
1st grade								
creamery.....	Oct. 27	60.1	58.4	58.1				
Ontario white..					Oct. 27	34.5	34.3	29.2

Sources: Intelligence Bulletin, The Commonwealth Economic Committee; and The Dairy Division, Agricultural Marketing Service, U.S.D.A.

1/ Excludes rebate of 1.1 cents per pound, payable on return of boxes.

PANAMA MILK PRODUCTION
SHOWS SLIGHT GAIN

Milk production for 1956 in the Republic of Panama will approximate 80 million pounds, according to Panama Government estimates. This output is slightly above the 1955 production and about 14 percent greater than that reported for 1953.

On the basis of estimates of the amount of whole milk going to condenseries in Panama, production of condensed and evaporated milk in 1956 will reach an estimated 4.8 million pounds, an increase of almost 30 percent from production in 1952, the last year for which product output is reported.

The Republic will continue to import its requirements for milk powders, much of which is in the form of dried whole milk. In 1955, according to information from supplying sources, Panama took 1.7 million pounds of dried milks, primarily from the United States and Canada. Butter exported to Panama during 1955 totaled 1.6 million pounds, most of which was of New Zealand origin. The United States was the principal supplier of the 0.6 million pounds of cheese shipped to Panama in 1955 and also supplied the largest part of the canned milk purchases of slightly more than 0.4 million pounds.

SWEDEN TO STUDY PRODUCTION AND
MARKETING OF DAIRY PRODUCTS

The Ministry of Agriculture has appointed a committee to study milk production and the marketing of dairy products in Sweden. The study will be a part of a larger investigation concerning the small-farm problem.

Sweden's milk production during 1956 is an estimated 8.8 billion pounds, compared with 9.2 billion pounds in 1955. Butter exports, however, are expected to reach 35 million pounds during the present calendar year, a considerable increase from the 7.8 million pounds exported in 1955. The export situation is attributed in part to larger availabilities because of a decline in domestic butter consumption of about 16 percent; 1955 consumption in Sweden was estimated at 24 pounds per person.

INDIAN DAIRY IMPORTS INCREASE

During fiscal year 1955-56 (April-March), the total value of India's dairy imports increased 35 percent over the previous year and totaled approximately \$20.6 million. The most marked increase occurred in ghee and dry whole milk. Whereas India imported 12,000 pounds of ghee in 1954-55, the past year imports climbed to almost 5 million pounds. Dry whole milk imports rose from 2.7 million pounds in 1954-55 to 13.0 million pounds in 1955-56. Smaller increases occurred in India's intake of nonfat dry milk, which totaled 62.9 million pounds, up 3 percent, and infant and dietetic milk foods, which totaled 6.8 million pounds, up 13 percent from the previous year. Cheese imports rose from 1.0 to 1.5 million pounds. Butter imports showed little change and remained at 1.4 million pounds. Canned milks, the only dairy product to show a decline, dropped from 14.8 million pounds in 1954-55 to 13.8 million pounds in 1955-56.

Indications for 1956-57 point toward another heavy dairy import year. During the first 4 months, ghee and nonfat dry milk were running ahead of last year, while other dairy products kept pace with last year's imports. Although Indian trade statistics do not show the country of origin for imports, Australia and New Zealand are important suppliers of all dairy products, and the Netherlands and Denmark are the major canned milk sources. Large quantities of nonfat dry milk and butteroil are shipped to India from the United States under various Government programs, however, and are largely responsible for India's apparent increased dairy imports. During calendar year 1955, the United States shipped 32 million pounds of butteroil to India, which did not appear in Indian statistics.

NEW MILK PLANT NEARS
COMPLETION IN GUATEMALA

Construction of a milk-drying plant in the Asuncion Mita Valley of Guatemala is expected to be completed soon, and operations should begin within several months. Construction and equipment costs are reported at \$850,000, of which the Government of Guatemala will pay \$600,000. UNICEF will finance the remainder.

The valley is well adapted to dairy farming, and an agricultural experiment station is located in the area. It is hoped that these factors coupled with a ready market will offer sufficient incentive to the farmers to meet the 80,000-pound daily intake capacity of the plant.

The dried milk output is destined for infant feeding through the Ministry of Public Health, a project which UNICEF has carried out in recent years from imported supplies.

U. S. COTTON EXPORTS CONTINUE HIGH IN OCTOBER

United States exports of cotton in October 1956 amounted to 621,000 bales of 500 pounds gross (597,000 running bales) or more than 3 times the volume of 202,000 bales exported in October 1955. Exports in the 3-month period, August-October 1956 were 1,588,000 bales of 500 pounds gross (1,525,000 running bales) as compared with only 388,000 bales exported in the similar period last year. Principal destinations of October exports were the Federal Republic of Germany, Japan, Italy, the United Kingdom, France, Canada, Belgium, and Spain. Quantities exported to all countries will be published in Foreign Crops and Markets, December 24, 1956.

INDIA ANNOUNCES COTTON EXPORT QUOTAS FOR 1956-57

The Government of India has announced cotton export quotas for the 1956-57 season of 163,300 bales of 500 pounds gross (200,000 Indian bales of 400 pounds gross or 392 pounds net), effective December 1, 1956. This quantity includes 40,800 bales (50,000 Indian bales) of Bengal Desi cotton, and 122,500 bales (150,000 Indian bales) of other short staple cotton stapling 3/4 inch or less.

Announcement also was made effective December 1, 1956, of an increase in the export tax on Bengal Desi cotton from 50 to 100 rupees per Indian bale, equivalent to an increase from 2.66 to 5.32 U. S. cents per pound. The export tax on all other cotton remains unchanged at 50 rupees per Indian bale, equivalent to 2.66 cents a pound.

Some sales in Bengals have been made, and it is reported that about 60,000 Indian bales of other exportable varieties have already been sold. The market is confident of selling the entire 200,000 bales, in spite of the increase in the export duty on Bengal Desi.

ISRAEL'S COTTON CROP REDUCED BY SPINY BOLLWORM

The latest estimate of the 1956-57 cotton crop in Israel indicates that production will drop to about 16,000 bales (500 pounds gross) as a result of large scale infestation by Spiny Bollworm, which also impaired the quality of the cotton. Earlier estimates of the crop had been for production of about 22,000 bales. Measures taken to fight the infestation reportedly were for destruction of cotton on approximately 1,000 acres in the affected areas.

EGYPT'S COTTON PRODUCTION DOWN FROM FIRST OFFICIAL ESTIMATE

The second official estimate of Egypt's 1956-57 cotton production is for a crop of 1,483,000 bales (500 pounds gross), down considerably from the first official estimate of 1,523,000 bales and 3 percent less than the final estimate of 1,535,000 bales for 1955-56. The most important changes in the estimate from last year's crop were an increase of 12 percent in production of Karnak and Menoufi varieties, and a reduction of 17 percent in the production of Ashmouni. Comparison of the second official estimate for 1956-57 with the previous year is shown in the following table.

EGYPT: Cotton production by staple length and variety,
1956-57 compared with 1955-56

Staple length and variety	Second official estimate 1956-57	Final official estimate 1955-56
	- - - 1,000 bales <u>1</u> / - - -	
Extra long staple, over 1-3/8":		
Karnak and Menoufi.....	614	550
Medium long staple, over 1-1/4":		
Giza 30 and Dendera.....	295	289
Long staple, over 1-1/8":		
Ashmouni.....	543	658
Subtotal.....	1,452	1,497
Scarto.....	31	38
Total.....	1,483	1,535

1/ Bales of 500 pounds gross. Source: Government of Egypt.

INDIA AUTHORIZES IMPORTS OF U. S. COTTON

The Government of India has announced the issuance of import licenses for 150,000 bales of United States cotton stapling 1-1/16 inches and above, under the Public Law 480 program.

The announcement states that licenses will be issued against contracts made after November 7, 1956. The period of shipment will be from November 7 to July 31, 1957. Imports will be through normal trade channels at a fixed exchange rate of 478.2 rupees per \$100.00 U. S. Any difference between the actual price and the price determined at the above exchange rate will be the responsibility of the Government. The imports of United States cotton into India are expected to start early in January 1957.

PERU INCREASES PRODUCTION OF EXTRA LONG STAPLE COTTON

Cotton production in Peru in the August-July 1956-57 crop year is currently estimated at 500,000 bales (500 pounds gross), the same in total volume as the 1955-56 crop, but representing an increase in the production of the extra long staple varieties, Pima and Karnak, to offset a decline in production of Tanguis. The record crops of Pima and Karnak, 76,000 and 17,000 bales respectively, were attributed primarily to unusually favorable weather and adequate irrigation water which offset the effect of slight damage from insects.

PERU: Cotton acreage, production by major varieties, and yield per acre, crop years 1950-56

Year beginning August 1	Acreage : <u>1/</u> :	Production				Yield per acre <u>1/</u>
		Pima	Karnak	Tanguis & other	Total	
	: 1,000 : acres		- - 1,000 bales <u>2/</u>	- -		: Pounds : lint
1950.....	: 408	: 28	: 4	: 371	: 403	: 474
1951.....	: 465	: 20	: 7	: 402	: 429	: 443
1952.....	: 482	: 43	: 11	: 396	: 450	: 448
1953.....	: 531	: 40	: 5	: 430	: 475	: 429
1954.....	: 556	: 71	: 8	: 416	: 495	: 427
1955.....	: 556	: 62	: 8	: 430	: 500	: 432
1956 est.....	: 556	: 76	: 17	: 407	: 500	: 432

1/ All varieties. 2/ Bales, 500 lbs. gross. Source: Unofficial estimates.

The increase in Pima and Karnak about offset the 1956-57 decline in Tanguis. Production of the latter variety is expected to drop because of reduced acreage in certain areas, particularly in the Canete, Chincha, and Pisco valleys. Severe insect damage reduced yields in 1955-56 and lower prices resulted in some shift to other crops. New restrictions, imposed in the areas mentioned above, are aimed at breaking the year-round pest cycle, and at the uncontrolled use of insecticides. For the current crop, 1956-57, continued cultivation of planted and ratooned cotton is permitted, provided all cotton plants are destroyed by May 15, 1957. Starting in the 1957-58 season, which begins in the last half of 1957, only newly planted cotton is to be cultivated. The use of organic insecticides for cotton is prohibited.

Peru's cotton exports amounted to 470,000 bales during August-July 1955-56, an increase of 42 percent over the exports of 330,000 bales in 1954-55. Exports to nearly all countries increased during the current year, with Chile and the United Kingdom the principle destinations. Quantities exported in 1955-56, with comparable 1954-55 figures in parentheses were: Chile 89,000 bales (72,000); United Kingdom 84,000 (45,000); Federal Republic of Germany 55,000 (36,000); Belgium 54,000 (47,000); France 34,000 (25,000); Netherlands 30,000 (17,000); Japan 28,000 (15,000); and the United States 25,000 (22,000).

Cotton consumption in Peru increased slightly in 1955-56, amounting to 84,000 bales as compared with 80,000 in 1954-55. Most of the increase in mill activity was in the first part of the marketing year, reflecting a moderate increase in demand for cotton goods. However, labor difficulties from about mid-May extending into the 1956-57 season are expected to limit this year's increase in cotton consumption to only 3 or 4 percent.

Other developments in Peru's textile industry have been the introduction of machinery for processing Pima cotton into high quality goods, and the use of synthetic yarns for blending with cotton or wool in production of new fabrics. Increased import duties on numerous cotton and other textile products were imposed about December 1, 1956, effective until December 31, 1957. The new import surtax amounts to 20 percent f.o.b. ad valorem, and is in addition to all existing assessments.

Cotton stocks, including unginned cotton, on August 1, 1956, were estimated at 285,000 bales, down 16 percent from the 340,000 bales held a year earlier. Supplies reportedly were short at mills and other points, and a large part of the limited port stocks were committed for export. Most of the decline was in stocks of Tanguis cotton. Stocks of Pima and Karnak increased over the previous year because of the record harvest of these varieties, and the fact that harvest begins about the end of June.

Prices for Pima and Karnak in the early months of the 1956-57 season have been the highest since 1951. Advance sales of Tanguis for April-May delivery have been especially heavy. Spot prices at Lima have ranged steadily upward in recent months, as shown in the following table.

PERU: Prices of Pima and Tanguis cotton at Lima with export tax,
January-November 1956 ^{1/}
(U. S. cents a pound)

Date	Pima No. 1, 1-9/16"		Tanguis No. 3 $\frac{1}{2}$		Tanguis No. 5	
	Spot price	Export tax 2/	Spot price	Export tax 2/	Spot price	Export tax 2/
1956:	:	:	:	:	:	:
Jan. 26....	37.11	7.39	30.62	6.00	29.32	4.69
Feb. 23....	39.70	10.03	32.18	7.60	30.88	6.27
Mar. 28....	37.89	8.18	29.84	5.22	28.54	3.89
Apr. 26....	40.22	10.56	30.62	6.00	29.06	4.42
May 24....	43.85	14.27	31.66	7.06	30.36	5.75
June 28....	42.43	12.81	30.88	6.27	29.58	4.95
July 26....	40.74	10.09	30.88	6.27	29.58	4.95
Aug. 31....	43.60	13.00	31.66	7.07	30.36	5.75
Sept. 27....	42.04	11.42	33.22	8.66	31.92	7.33
Oct. 31....	45.15	14.59	33.22	8.66	31.14	6.54
Nov. 29....	46.71	16.18	33.22	8.66	31.92	7.33

^{1/} Pima quotations through July 26 and Tanguis quotations from November through April are for forward delivery.

^{2/} Export tax is not included in price quotations.

Source: Cotton exchange and trade information.

REDUCTION IN GREECE'S 1956-57 COTTON CROP

A reduction in the 1956-57 cotton crop in Greece to 262,000 bales (500 pounds gross) has been estimated by the Hellenic Cotton Board as a result of damage from boll pests. The new figure represents a decline of 6 percent from the 1955-56 crop of 279,000 bales, in contrast to an earlier estimate which placed the 1956-57 crop at 285,000 bales (Foreign Crops and Markets, December 10, 1956). The quality of the new crop is reported excellent.

CHILEAN DRIED PEACH PRODUCTION OFF

Estimates for dried peach production in Chile place the 1956 crop at 720 short tons, (pitted peach equivalent) approximately 15 percent below the previous season's total of 840 short tons. Drought conditions existing in the northern valleys where peach production is centered were blamed for the drop in tonnage.

Though wholesale prices are reported as 50 percent higher in 1956 than for the previous year, stocks on hand have nearly doubled over those reported for 1955. The 1955 marketing season commenced with stocks on hand approximating 165 short tons and closed with supplies of dried peaches aggregating 365 short tons of pitted peach equivalent.

Peru constitutes the sole export market for Chilean dried peaches, accounting for 76 short tons in 1955. Surcharges imposed on Chilean exports have lessened the opportunities for further development of foreign markets. These, however, are not expected to disturb the existing export relationship with nearby Peru.

GLACE CHERRY PROCESSING AFFECTED BY FRENCH FUEL SHORTAGE

Fuel rationing in France may seriously restrict the production of glace cherries at Abt, the main processing center, according to trade reports. These reports indicate that contracts calling for late November or early December shipment are likely to be unfulfilled, at least until early 1957. As a result prices for spot stocks are reportedly strengthening.

SOUTH AFRICAN GRAPE EXPORTS ESTIMATED SAME AS LAST YEAR

Prospects for the grape crop in the Union of South Africa are reported favorable. Unofficial estimates predict that exports will total about 4 million cases (approximately 10 lbs. net), with about 70 percent going to the United Kingdom. These amounts are about the same as last year.

1956 CHILEAN PRUNE
CROP SMALLER

The 1956 dried prune crop in Chile is still estimated at 4,400 short tons, 14 percent less than the 1955 crop now estimated at 5,100 short tons. Average production (1949-53) is 3,700 tons.

Approximately 2,400 tons, or 55 percent, of the 1956 crop were handled by Asprocica, the Prune Producers Association. The 1956 crop reportedly yielded fewer, but larger prunes with a higher sugar content.

Wholesale dried prune prices in Chile are about 35 percent higher than in 1955. Carryover from the 1956 crop will likely be negligible, and mostly of small sizes.

Exports in calendar year 1955 totaled 4,199 tons, an increase of 1,225 tons over 1954. Unofficial estimate indicate a 1956 export of only 3,500 tons. Chilean exporters regard the export outlook as unfavorable because of the increase in prices, the currently unfavorable exchange rate of 500 pesos to the dollar, and the increased export surcharge. Also, Brazil which was once the main buyer of Chilean dried prunes now has an agreement with Argentina which reportedly permits cheaper imports from that source. On the other hand exports to some European countries have been gaining. Germany and Finland made substantial purchases in 1955, more than offsetting a decrease in sales to Denmark.

Exports of dried prunes, by country of destination, in the calendar years 1954, 1955, and in the first 6 months of 1956 were as follows:

	<u>1954</u>	<u>1955</u>	<u>Jan.-June 1956</u>
		- - Short tons - -	
Bolivia	5	--	--
Brazil	64	253	--
Denmark.	2,650	1,625	730
Ecuador.	2	4	--
Finland	--	702	306
Germany	192	1,538	146
Jamaica	--	14	--
Netherlands	--	13	--
Peru	54	50	25
Sweden	7	--	--
Total	<u>2,974</u>	<u>4,199</u>	<u>1,207</u>

1956 FOREIGN DRIED FIG CROP LARGER

Commercial dried fig production in the main producing countries abroad is estimated at 151,900 short tons. This is approximately 10,000 tons larger than the estimated 1955 pack of 141,500 tons. The 1956 crop, however, is slightly smaller than the 5-year average (1949-53) of 154,300 tons.

Larger crops are indicated for Turkey and Greece, the leading fig-exporting countries. Smaller crops are indicated for Italy and Portugal. Italy, the world's largest producer of dried figs, has become an exporter of secondary importance in recent years, and this season may be on a net import basis. The recent upward trend in Portuguese exports will probably be interrupted this season because of the reduced production.

Aggregate production in the 3 countries which dominate exports to the United States - Turkey, Portugal, and Greece - is estimated at 82,000 tons for 1956 and 70,000 tons for 1955.

FIGS, Dried: Estimated commercial production in specified countries, average 1949-53, annual 1951-56

Country	Average: 1949-53	1951	1952	1953	1954	1955	1956 ^{1/}
			- - -	Short tons	- - -		
Algeria.....	31,400:	34,000:	29,500:	36,400:	37,100:	23,700:	2/
Argentina.....	700:	1,100:	400:	1,100:	1,400:	1,700:	1,400
Greece.....	26,600:	27,400:	21,700:	32,000:	30,000:	28,000:	32,000
Italy.....	52,800:	39,700:	38,000:	49,600:	57,900:	43,000:	33,000
Portugal ^{3/}	10,900:	11,700:	7,400:	9,500:	11,100:	11,000:	8,000
Syria-Lebanon.....	4,100:	4,200:	3,300:	3,300:	3,900:	3,100:	2/
Turkey.....	27,800:	27,600:	30,900:	33,000:	33,000:	31,000:	42,000
Foreign total.....	154,300:	145,700:	131,200:	164,900:	174,400:	141,500:	151,900
United States.....	26,900:	29,500:	28,100:	24,300:	25,600:	25,400:	
Grand total.....	181,200:	175,200:	159,300:	189,200:	200,000:	166,900:	

^{1/} Preliminary. ^{2/} 1949-53 average included in "Total." ^{3/} Merchantable figs only.

United States imports of dried figs - in all forms - during the September 1955 - August 1956 marketing season totaled 7,325 tons. This was the second largest quantity imported since 1930-31; in the 1954-55 season 8,098 tons were imported. Of particular significance has been the emergence of Portugal as a leading supplier of fig paste.

FIGS, 1/ Dried: Imports into the United States by country of origin, average 1934-38, annual 1950-55

Type and country	Average: 1934-38	Year beginning September					
		1950	1951	1952	1953	1954	1955
- - Short tons - -							
<u>Figs, dried</u>							
Italy.....	482:	134:	134:	156:	201:	227:	174
Greece.....	1,011:	3,311:	1,282:	1,550:	2,855:	2,057:	1,527
Turkey.....	1,308:	1,056:	1,035:	364:	232:	173:	203
Spain.....	2/ :	8:	205:	1:	2:	1:	44
Portugal.....	36:	492:	665:	61:	601:	853:	369
Others.....	22:	3/ :	2:	0:	0:	3/ :	0
Total.....	2,859:	5,001:	3,323:	2,132:	3,891:	3,311:	2,317
<u>Fig paste</u>							
Turkey.....	-- :	0:	1,024:	815:	2,370:	4,300:	1,336
Portugal.....	-- :	0:	0:	0:	83:	207:	3,349
Others.....	-- :	0:4/ :	62:	0:5/ :	18:	0:	0
Total.....	-- :	0:	1,086:	815:	2,471:	4,507:	4,685
<u>Figs, prepared or preserved</u>							
Italy.....	-- :	131:	158:	252:	224:	173:	233
Greece.....	-- :	0:	0:	0:	0:	107:	90
Others.....	-- :	1:	3/ :	3/ :	0:	0:	
Total.....	-- :	132:	158:	252:	224:	280:	323
Grand total.....	2,859:	5,133:	4,567:	3,199:	6,586:	8,098:	7,325

1/ Prior to January 1, 1949 imports were classified simply as "Figs" January 1, 1949 - August 31, 1952 classified as "Figs, fresh, dried or in brine," "Fig paste" and "Figs, prepared or preserved." September 1, 1952, subsequently classified as "Figs, dried," "Fig paste," "Figs prepared or preserved."

2/ If any, included in "Others." 3/ Less than one-half ton. 4/ Bulgaria. 5/ Syria.

MEDITERRANEAN BASIN OLIVE OIL PRODUCTION IN 1956-57 FORECAST AT NEARLY 1.1 MILLION TONS

Mediterranean Basin production of oil from the 1956 olive crop, now being harvested, is estimated at 1,074,000 short tons, according to the Foreign Agricultural Service. This preliminary estimate reflects an expected increase of 325,000 tons of oil from the estimated production from the 1955 olive crop. Moreover, it exceeds slightly the output of oil from the 1954 crop as well as production in the 4-year period 1950-53. These estimates reflect all production from crushing, including non-commercial output, but they do not include sulphur or foots oil extracted from olive residue by solvent methods.

Despite earlier fears that the widespread freeze of last winter would seriously cut back olive production in southern Europe, large increases in Spain, Greece and Portugal will more than offset declines in Italy and France. Also, with Turkey expecting a near-record crop, production in the Middle East likely will be double that of last year. In North Africa, output may approach a volume nearly 3 times that of a year ago, with Tunisia reportedly about to crush its largest crop on record. Olive growers in France and Yugoslavia, where production of oil from this year's crop is expected to be only a fraction of their normally small output, probably suffered the greatest losses from the freeze of last winter.

Favorable growing weather undoubtedly has contributed greatly to the substantial increase from last year in the expected olive harvest. More important, however, may be the fact that the *Dacus* fly infestation this year was considerably less than last. Consequently, the average quality of expressed oil is expected to be much higher than that from last year's crop. Undoubtedly, this should result in reducing the quantities of olive oil that must be refined or mixed with lower-acidity oils, for edible use. It is generally believed, although not conclusively proved, that the decrease in the *Dacus* fly population may have resulted from last winter's exceptionally cold weather.

Prices which had reached postwar peaks in most producing countries in 1955-56 began to decline in late summer of 1956 as prospects for better crops began to firm. While there is still some uncertainty about official export pricing policies in Spain and Tunisia, there is little doubt that new-crop prices will be considerably lower than those which have prevailed since early in 1956. In Italy, both domestic and export quotations have been weakening since March 1956.

Olive production in France--of relatively minor importance--was severely cut back as a result of the cold wave early this year. One-third of that country's 12 million olive trees is estimated to have been destroyed or seriously damaged, according to the latest reports. Although the full extent of the damage by the cold weather has not yet been determined, it appears certain that France, in the near future, will require heavier imports of olive oil than in the past. The Government has announced a program of modest subsidies to encourage farmers to replace damaged trees.

The best olive crop since 1953 is in prospect for Greece. However, the delayed impact of a relatively dry summer there may reduce the final outturn of oil somewhat below the current estimate of 160,000 tons. The Greek Government, in view of the favorable production prospect, already has announced--but not yet implemented--its decision to license 5,500 short tons of edible oil for export. Expectations are that total exports in the current crop year may reach 11,000 tons if export prices are favorable. Exports in the last crop year amounted to only 400 tons--in contrast with 8,000 tons in 1954-55--owing to the ban on exports announced in December 1955, which was continued through the remainder of the crop year.

There is as yet no official forecast of oil output from the current olive crop in Italy. According to a recent estimate of the High Commission for Food, the olive crop--estimated at 900,000 tons--may yield no more than 150,000 tons of expressed oil, but some previous trade estimates were considerably higher.

Olive Oil 1/: Estimated production in the Mediterranean Basin, averages 1935-39, 1945-49, and 1950-53, annual 1954-56

(Short tons)						
Country	Average			1954	1955 <u>2/</u>	1956 <u>2/</u>
	1935-39	1945-49	1950-53			
<u>EUROPE</u>						
France.....	8,000	7,000	10,250	9,000	7,000	3,000
Greece.....	131,500	132,540	112,300	125,000	115,000	160,000
Italy.....	256,000	189,800	297,500	313,000	200,000	160,000
Portugal.....	64,000	67,460	88,225	55,000	75,000	90,000
Spain.....	3/357,400	365,200	382,125	335,000	255,000	400,000
Yugoslavia.....	3/ 5,900	4,100	1,950	9,000	700	550
<u>MIDDLE EAST</u>						
Israel.....	4/ 7,000	3/ 2,500	1,350	4,000	600	3,000
Syria.....	(12,500	14,900	5,625	4,200	4,400	7,000
Lebanon.....	(10,800	10,800	8,325	8,300	3,800	11,000
Turkey.....	44,000	38,000	47,500	70,000	38,000	70,000
<u>AFRICA</u>						
Algeria.....	20,000	17,600	26,375	30,000	18,000	30,000
Morocco <u>5/</u>	10,300	11,800	18,000	28,000	13,000	35,000
Tunisia.....	49,300	42,300	55,650	58,000	25,000	100,000
Libya.....	2,600	3,000	6,375	2,000	3,000	4,000
Total.....	968,500	907,000	1,061,550	1,050,500	758,500	1,073,550

1/ Total oil pressed in marketing season beginning October of years shown; excludes oil extracted from residue. 2/ Preliminary. 2/ Average of less than 5 years. 4/ Territory formerly known as Palestine. 5/ Figures refer only to territory formerly known as French Morocco.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attaches and other United States representatives abroad, results of office research, and other information.

The damage from last winter's severe weather in certain of the olive-growing areas has not proved to be as extensive or severe as was originally believed. Nevertheless, it is unofficially estimated that about 5 percent of the country's olive trees were killed and that another 10 to 20 percent will have to be cut back to the base of the trunk. A program of Government assistance to olive growers--not only to rehabilitate freeze-damaged groves but also to help combat insects and diseases-- was announced earlier this year. In a recently published article, one Italian authority stated that the proportion of sulphur oil to total olive oil supplies this year will be unusually high owing to the prevalent small size and "meaty" character of the olives. Hence, with production estimated at 160,000 tons, there might be an additional 25-30,000 tons of sulphur oil available, much of which will be refined for blending with expressed oil.

Portugal's crop of olives in 1956, currently being harvested, is expected to be somewhat larger than in 1955 despite the fact that this was expected to be the "low" year in the 2-year cycle. As in some other Mediterranean countries, the effect of the vegetative cycle was obscured last year by unusually adverse environmental factors.

Expectations in Spain are that the olive crop this year will yield an estimated 400,000 tons, the largest since the exceptionally large output from the 1951 olive crop. The prospective production of oil from this year's olive crop is over one-half larger than last year's poor outturn. Damage from last winter's cold spell was confined largely to the higher altitudes in the eastern parts of the country. In Andalusia, Spain's most important producing region, there was fair recovery from the little damage done owing largely to excellent moisture conditions last spring. With Dacus fly damage apparently negligible this year, the quality of Spanish olive oil is expected to be considerably higher than that from last year's fly-infested crop.

Despite relatively dry weather in recent months, the olive crop in Turkey may reach an estimated 70,000 tons. Not only would this be twice the volume of production from last year's crop, it would equal the record output from the 1954 crop. The proportion of inedible oil from this year's harvest is expected to be smaller than last year because of the better quality of the olives. The Turkish domestic support price is higher than the world price. As of mid-November no announcements had been made by Turkish authorities as to what measures would be taken to offer olive oil at competitive world prices. Nevertheless, some in the Turkish trade were of the opinion that exports of edible oil might exceed 20,000 tons, or one-third of the total edible olive oil produced.

Olive oil production in North Africa from the 1956 olive crop may reach an all-time high, chiefly because of the record crop in Tunisia. In Algeria, where estimates of oil production range widely, exportable supplies in the current marketing year may exceed 16,000 tons. Production of oil in Morocco from the current olive crop is expected to be close to three times the output from last year's crop. Most of the anticipated exportable surplus, estimated at about 13,000 tons, probably will be sold to France.

Production of olive oil in Tunisia, in the wake of a record olive harvest, is expected to be at least 4 times as great as a year ago. Consequently, an exportable surplus of nearly 50,000 tons of oil is foreseen--compared with last crop-year's exports of about 25,000 tons--even with due allowance for recently revised Government plans to stockpile 20,000 tons from current oil production. How much of this surplus will be exported will depend largely on government pricing policies, which have been under discussion with French authorities.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

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